



BILLING CODE: 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-412-826]

#### **Carbon and Alloy Steel Wire Rod from the United Kingdom: Final Affirmative Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances**

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (Commerce) determines that carbon and alloy steel wire rod (wire rod) from the United Kingdom is being, or is likely to be, sold in the United States at less than fair value (LTFV). In addition, we determine that critical circumstances exist with respect to imports of the subject merchandise. The period of investigation is January 1, 2016, through December 31, 2016.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Alice Maldonado, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4682.

#### SUPPLEMENTARY INFORMATION:

##### Background

On October 31, 2017, Commerce published the *Preliminary Determination* of sales at LTFV of wire rod from the United Kingdom.<sup>1</sup>

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<sup>1</sup> See *Carbon and Alloy Steel Wire Rod from the United Kingdom: Preliminary Affirmative Determination of Sales at Less Than Fair Value and Preliminary Affirmative Determination of Critical Circumstances*, 82 FR 50394 (October 31, 2017) (*Preliminary Determination*).

Commerce exercised its discretion to toll all deadlines affected by the closure of the Federal Government from January 20 through 22, 2018. If the new deadline falls on a non-business day, in accordance with Commerce's practice, the deadline will become the next business day. The revised deadline for the final determination of this investigation is now March 19, 2018.<sup>2</sup> A summary of the events that occurred since Commerce published the *Preliminary Determination*, as well as a full discussion of the issues raised by parties for this final determination, may be found in the Issues and Decision Memorandum, which is hereby adopted by this notice.<sup>3</sup>

#### Scope of the Investigation

The scope of the investigation covers wire rod from the United Kingdom. For a complete description of the scope of the investigation, *see* Appendix I.

#### Scope Comments

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<sup>2</sup> See Memorandum for The Record from Christian Marsh, Deputy Assistant Secretary for Enforcement and Compliance, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Shutdown of the Federal Government", dated January 23, 2018. All deadlines in this segment of the proceeding have been extended by 3 days.

<sup>3</sup> See Memorandum, "Issues and Decision Memorandum for the Final Affirmative Determination in the Less-Than-Fair-Value Investigation of Carbon and Alloy Steel Wire Rod from the United Kingdom," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

During the course of this investigation, Commerce received numerous scope comments from interested parties. Prior to the *Preliminary Determination*, Commerce issued a Preliminary Scope Decision Memorandum to address these comments and made no changes to the scope of the investigation as it appeared in the *Initiation Notice*.<sup>4</sup>

In September 2017, we received scope case and rebuttal briefs. On November 20, 2017, we issued the Final Scope Decision Memorandum in response to the comments received.<sup>5</sup> We did not change the scope of this investigation.

#### Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties in this investigation are addressed in the Issues and Decision Memorandum. A list of the issues raised is attached to this notice as Appendix II. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and it is available to all parties in the Central Records Unit, room B-8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/index.html>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

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<sup>4</sup> For discussion of these comments, *see* Memorandum, "Carbon and Alloy Steel Wire Rod from Belarus, Italy, the Republic of Korea, the Russian Federation, South Africa, Spain, the Republic of Turkey, Ukraine, the United Arab Emirates, and the United Kingdom: Scope Comments Decision Memorandum for the Preliminary Determination" (Preliminary Scope Decision Memorandum), dated August 7, 2017.

<sup>5</sup> For discussion of these comments, *see* Memorandum, "Carbon and Alloy Steel Wire Rod from Belarus, Italy, the Republic of Korea, the Russian Federation, South Africa, Spain, the Republic of Turkey, Ukraine, the United Arab Emirates, and the United Kingdom: Final Scope Memorandum" (Final Scope Decision Memorandum), dated November 20, 2017.

### Verification

British Steel Limited (British Steel) informed Commerce prior to verification that it was withdrawing from participation as a mandatory respondent in this investigation.<sup>6</sup> Accordingly, Commerce was unable to conduct verification under section 782(i)(1) of the Act. Moreover, Commerce determines that British Steel, by refusing to allow Commerce to verify its questionnaire responses, did not cooperate to the best of its ability in this investigation.

### Adverse Facts Available

In the *Preliminary Determination*, because mandatory respondent Longs Steel UK Limited (Longs Steel) failed to respond to Commerce's questionnaire, we applied adverse facts available (AFA) to this respondent, in accordance with sections 776(a) and (b) of the Act and 19 CFR 351.308.

Commerce received no comments regarding its preliminary application of an AFA dumping margin to Longs Steel. For the final determination, Commerce has not altered its analysis or its decision to apply AFA to Longs Steel.

Additionally, due to British Steel's withdrawal from participation in this investigation prior to verification, we determine that British Steel's data cannot serve as a reliable basis for reaching a determination in this investigation because that data could not be verified. We further determine that British Steel significantly impeded the investigation and did not act to the best of its ability to comply with our requests for information. Therefore, we also find it appropriate to apply an AFA dumping margin to British Steel. For further discussion, *see* the Issues and Decision Memorandum.

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<sup>6</sup> *See* British Steel's Letter, "Carbon and Certain Alloy Steel Wire Rod from the United Kingdom: British Steel's Withdrawal from Participation as a Mandatory Respondent in the Antidumping Investigation," dated November 1, 2017 (British Steel Withdrawal Letter).

### All-Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated all-others rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated excluding any zero or *de minimis* margins, and margins determined entirely under section 776 of the Act. Pursuant to section 735(c)(5)(B) of the Act, if the estimated weighted-average dumping margins established for all exporters and producers individually examined are zero, *de minimis* or determined based entirely under section 776 of the Act, Commerce may use any reasonable method to establish the estimated dumping margin for all other producers or exporters. This includes averaging the weighted-average dumping margins for the individually investigated respondents.

As noted above, British Steel and Longs Steel are the sole mandatory respondents in this proceeding, and the margins for both companies are determined entirely under section 776 of the Act. Consequently, consistent with section 735(c)(5)(B) of the Act, we are using the margin determined for British Steel and Longs Steel as the “all-others” rate. This rate is 147.63 percent.

### Final Affirmative Determination of Critical Circumstances

For the *Preliminary Determination*, Commerce found that critical circumstances exist with respect to imports of wire rod from British Steel, Longs Steel, and companies covered by the “all others” rate.<sup>7</sup> We made no changes to our critical circumstances preliminary determination. For further discussion, *see* the Issues and Decision Memorandum at “Critical Circumstances.” Thus, pursuant to section 735(a)(3) of the Act, and 19 CFR 351.206, we find

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<sup>7</sup> *See Preliminary Determination*, and accompanying Preliminary Decision Memorandum, at 23-24.

that critical circumstances exist with respect to subject merchandise produced or exported by British Steel, Longs Steel, and “all others.”

#### Final Determination

Commerce determines that the following estimated weighted-average dumping margins exist:

<b>Exporter/Producer</b>	<b>Estimated Weighted-Average Dumping Margin (percent)</b>
British Steel Limited	147.63
Longs Steel UK Limited	147.63
All-Others	147.63

#### Disclosure

We will disclose the calculations performed within five days of the date of publication of this notice to parties in this proceeding in accordance with 19 CFR 351.224(b).

#### Continuation of Suspension of Liquidation

For entries made by British Steel, Longs Steel, and companies covered by the “all others” rate, in accordance with section 735(c)(4)(B) of the Act, because we continue to find that critical circumstances exist, we will instruct CBP to continue to suspend liquidation of all appropriate entries of wire rod from the United Kingdom which were entered, or withdrawn from warehouse, for consumption on or after August 2, 2017, which is 90 days prior to the date of publication of the preliminary determination of this investigation in the *Federal Register*.

Commerce will instruct CBP to require a cash deposit equal to the estimated amount by which the normal value exceeds the U.S. price as shown above.

### International Trade Commission (ITC) Notification

In accordance with section 735(d) of the Act, we will notify the ITC of the final affirmative determination of sales at LTFV. Because the final determination in this proceeding is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of wire rod from the United Kingdom, no later than 45 days after our final determination. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated and all cash deposits will be refunded. If the ITC determines that such injury does exist, Commerce will issue an antidumping duty order directing CBP to assess, upon further instruction by Commerce, antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

### Notification Regarding Administrative Protective Orders (APO)

This notice serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This determination and this notice are issued and published pursuant to sections 735(d) and 777(i)(1) of the Act.

Gary Taverman  
Deputy Assistant Secretary  
for Antidumping and Countervailing Duty Operations,  
performing the non-exclusive functions and duties of the  
Assistant Secretary for Enforcement and Compliance

Dated: March 19, 2018.



## **Appendix I**

### **Scope of the Investigation**

The products covered by this investigation are certain hot-rolled products of carbon steel and alloy steel, in coils, of approximately round cross section, less than 19.00 mm in actual solid cross-sectional diameter. Specifically excluded are steel products possessing the above-noted physical characteristics and meeting the Harmonized Tariff Schedule of the United States (HTSUS) definitions for (a) stainless steel; (b) tool steel; (c) high-nickel steel; (d) ball bearing steel; or (e) concrete reinforcing bars and rods. Also excluded are free cutting steel (also known as free machining steel) products (*i.e.*, products that contain by weight one or more of the following elements: 0.1 percent or more of lead, 0.05 percent or more of bismuth, 0.08 percent or more of sulfur, more than 0.04 percent of phosphorous, more than 0.05 percent of selenium, or more than 0.01 percent of tellurium). All products meeting the physical description of subject merchandise that are not specifically excluded are included in this scope.

The products under investigation are currently classifiable under subheadings 7213.91.3011, 7213.91.3015, 7213.91.3020, 7213.91.3093, 7213.91.4500, 7213.91.6000, 7213.99.0030, 7227.20.0030, 7227.20.0080, 7227.90.6010, 7227.90.6020, 7227.90.6030, and 7227.90.6035 of the HTSUS. Products entered under subheadings 7213.99.0090 and 7227.90.6090 of the HTSUS also may be included in this scope if they meet the physical description of subject merchandise above. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this proceeding is dispositive.

## **Appendix II**

### **List of Topics Discussed in the Issues and Decision Memorandum**

- I. Summary
- II. Background
- III. Application of Facts Available and Use of Adverse Inference
- IV. Critical Circumstances
- V. Scope of the Investigation
- VI. Scope Comments
- VII. Discussion of the Issues
  - Comment 1: Determination of Critical Circumstances for British Steel
- VIII. Recommendation

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